CURRENT MINNESOTA LABOR MARKET CONDITIONS S4160-3

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Nation

The Nation's economy continued to improve in February, though not as vigorously as in January when most of the economic barometers performed favorably. Economists expect the economy to continue to recover, but at a slower rate than in previous upturns.

The employment picture was not as bright as it was in January. February's seasonally adjusted unemployment rate remained at 10.4 percent while both total and nonfarm payroll employment declined after seasonal adjustment. A small February drop left total employment close to the 91.1 million level that has prevailed since November. Seasonally adjusted nonfarm payroll employment, however, fell by 180,000 in February after a rise of 330,000 in January. Most of the change in both months may have been due to seasonal adjustment problems which caused employment in construction and retail trade to rise strongly in January and then to fall sharply in February. Nevertheless, manufacturing employment continued to edge upward. Until the gain in January, factory employment had declined in every month since July 1981.

Other economic reports for February and the first quarter showed a mixture picture. The very early release of gross national product (GNP) revealed that real GNP grew at an annual rate of 4 percent in the first quarter. Also, industrial production advanced for the third straight month and housing starts and permits rose higher. On the other hand, retail sales fell for the third consecutive month while personal income and spending was nearly flat.

State

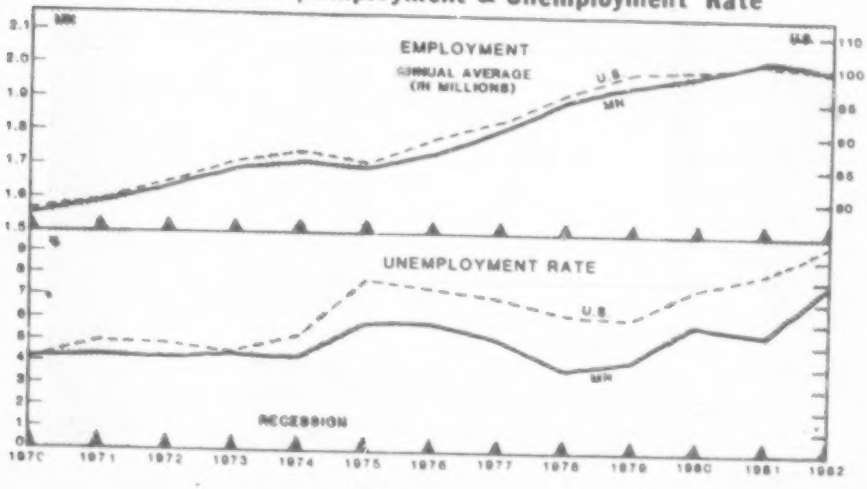
Economic conditions in Minnesota in February showed little change from January. The unemployment rate held steady while total employment declined slightly and seasonally adjusted nonagricultural wage and salary employment rose fractionally.

Minnesota's seasonally unadjusted unemployment rate remained at 10.3 percent in February. The average of the January to February rate changes for the past thirteen years showed an increase of less than a tenth of a point. Unadjusted total employment which usually rises modestly in February declined by a small amount this February. Although seasonally adjusted nonfarm payroll employment increased by only 900 in February, the gain was the second in the last two months. Before the rise in January, payroll employment had risen in only two months since September, 1981. Over two-thirds of the increase in payroll jobs since December took place in the manufacturing and trade sectors. However, wage and salary employment in February was still 49,000 below the year earlier total and 81,000 below the recent high in September 1981.

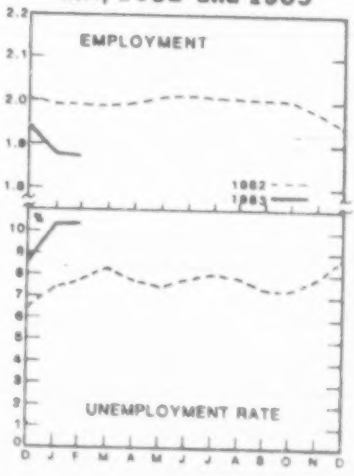
Even if the national economy continues to recover at a satisfactory pace, the Minnesota economy probably won't show much improvement before May. Some economists in the State believe that the recovery in Minnesota will lag that of the Nation by as much as six months. However, there is no solid documentation for such a prediction.

Labor Force Estimates	MINNESOTA (Numbers in '000's)			UNITED STATES (Numbers in '000,000's)		
	February 1983	Change From Last Mo.	Change From Year Ago	February 1983	Change From Last Mo.	Change From Year Ago
Civilian Labor Force	2096.4	-3.6	-18.7	109.7	-0.1	1.4
Employed	1879.4	-3.5	-70.2	97.3	0.0	-0.6
Unemployed	217.0	-0.1	51.5	12.4	-0.1	2.0
Unemployment Rate						
Actual	10.3	0.0	2.5	11.3	-0.1	1.7
Seasonally Adjusted	n.a	n.a	n.a	10.4	0.0	1.6

MN and the U.S., Employment & Unemployment Rate



MN, 1982 and 1983



Minnesota Nonagricultural Wage & Salary Employment, Hours, and Earnings

INDUSTRY	EMPLOYMENT[1] (thousands)			PER CENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	Feb. 1983	Jan. 1983	Feb. 1982	Jan. 1983	Feb. 1982	Feb. 1983	Jan. 1983	Feb. 1983	Jan. 1983	Feb. 1983	Jan. 1983
TOTAL NONAGRICULTURAL	1651.9	1648.8	1698.5	0.2	-2.7						
MANUFACTURING	330.2	329.4	350.0	0.2	-5.7	375.80	371.94	9.49	9.44	39.6	39.4
Durable Goods	195.8	195.4	211.4	0.2	-7.4	381.64	377.74	9.47	9.42	40.3	40.1
Furniture, Lumber and Wood	12.7	12.8	12.4	-0.6	2.7	384.23	385.84	9.98	9.97	38.5	38.7
Stone, Clay and Glass	6.9	7.1	6.8	-2.8	1.5	362.11	366.31	9.43	9.49	38.4	38.6
Primary Metals	5.0	5.0	6.1	-0.4	-19.1	343.14	340.23	9.03	8.93	38.0	38.1
Fabricated Metals	32.4	32.6	34.3	-0.7	-5.5	429.91	423.69	10.46	10.41	41.1	40.7
Nonelectrical Machinery	76.8	76.8	86.3	0	-11.0	389.30	388.90	9.66	9.65	40.3	40.3
Electrical Machinery	25.4	25.6	26.3	-0.7	-3.2	338.15	330.17	8.37	8.38	40.4	39.4
Transportation Equipment	5.8	4.8	5.7	22.0	2.0	399.96	342.00	10.10	9.00	39.6	38.0
Other Durable Goods 2/	30.7	30.7	33.5	-0.1	-8.3	366.17	366.21	8.76	8.74	41.8	41.9
Nondurable Goods	134.4	134.0	138.6	0.4	-3.0	367.09	365.54	9.51	9.47	38.6	38.6
Food and Kindred	42.9	43.1	44.3	-0.4	-3.0	346.21	351.55	8.90	8.90	38.9	39.5
Textile and Apparel	4.6	4.5	5.5	0.4	-17.5	226.35	214.90	6.27	6.14	36.1	35.0
Paper and Allied	31.6	31.7	32.5	-0.2	-2.8	445.30	441.15	10.38	10.38	42.9	42.5
Printing and Publishing	35.3	35.0	35.2	0.8	0.4	357.06	356.73	10.41	10.34	34.3	34.5
Chemical and Petroleum	9.0	8.7	9.3	3.3	-3.1	402.73	384.56	10.17	10.12	39.6	38.0
Rubber and Leather	11.0	10.8	11.8	1.7	-6.7	306.10	298.72	7.93	7.82	38.6	38.2
NONMANUFACTURING	1321.7	1319.4	1348.5	0.2	-2.0						
Mining and Quarrying	7.6	7.9	13.0	-2.7	-41.0	476.33	474.08	13.38	13.43	35.6	35.3
Metal Mining	6.5	6.6	11.7	-2.7	-44.8	497.72	497.72	14.18	14.18	35.1	35.1
Construction	43.5	45.5	48.9	-4.3	-11.0	520.51	530.28	14.58	14.73	35.7	36.0
Building	12.6	13.2	15.1	-4.6	-16.8	469.69	486.13	12.66	13.21	37.1	36.8
Highway and Heavy	3.8	4.0	4.5	-3.0	-15.3	415.03	433.93	10.78	11.51	38.5	37.7
Special Trades	27.1	28.3	29.3	-4.4	-7.4	561.56	567.46	16.23	16.03	34.6	35.4
Transportation	59.4	59.0	61.1	0.5	-2.8	370.14	366.18	9.95	9.87	37.2	37.1
Railroads	13.3	13.3	13.9	0	-4.6	463.59	463.59	10.10	10.10	45.9	45.9
Trucking and Warehousing	21.9	21.7	23.1	0.8	-5.1	422.44	421.39	11.80	11.87	35.8	35.5
Public Utilities	32.7	32.8	34.0	-0.2	-3.8	475.14	471.22	12.09	11.96	39.3	39.4
Communications	18.7	18.9	19.9	-0.7	-5.7	427.74	428.51	11.11	11.13	38.5	38.5
Elec., Gas and Sanitary	14.0	13.9	14.2	0.4	-1.2	526.91	519.14	13.14	12.85	40.1	40.4
Trade	411.2	414.9	419.4	-0.9	-2.0	213.74	215.16	7.27	7.22	29.4	29.8
Retail	303.1	306.5	307.7	-1.1	-1.5	166.34	168.64	6.23	6.20	26.7	27.2
General Merchandise	42.9	44.8	46.1	-4.2	-7.0	161.15	161.49	5.86	5.83	27.5	27.7
Food Stores	43.3	43.9	43.5	-1.3	-0.5	204.27	206.82	7.51	7.36	27.2	28.1
Automotive	32.8	32.7	33.1	0.3	-0.9	235.17	239.67	7.02	7.07	33.5	33.9
Eating and Drinking	99.4	98.9	99.2	0.5	0.2	98.79	98.01	4.66	4.58	21.2	21.4
Wholesale	108.1	108.4	111.7	-0.3	-3.2	373.84	373.26	9.71	9.67	38.5	38.6
F.I.R.E.	97.1	97.2	97.4	-0.1	-0.3						
Finance	46.0	46.1	45.8	-0.1	0.4						
Insurance	35.4	35.4	35.5	-0.1	-0.3						
Real Estate	15.7	15.7	16.1	-0.2	-2.5						
Service Industries	377.7	375.4	373.7	0.6	1.1						
Hotel and Lodging	19.0	18.8	16.6	1.1	2.2						
Business Services	56.0	55.0	54.1	1.8	3.5						
Health Services	133.7	133.5	130.1	0.2	2.8						
Private Education	24.4	23.8	24.0	2.5	1.9						
Soc. Serv., Museums etc.	80.5	80.3	81.5	0.2	-1.2						
Government	292.5	286.7	301.0	2.0	-2.8						
Federal	29.9	29.7	30.1	0.6	-0.8						
State	74.7	73.0	74.6	2.4	0.1						
Local	188.0	184.1	196.3	2.1	-4.2						

1/ Totals may not add because of rounding.
2/ Includes Scientific Instruments and Miscellaneous Industries.

Labor Force Data: State, SMSAs, and Counties

Area or County	February, 1983 Prelim. Labor Force[1]	Unemp.	Un. Rate
State of Minnesota	2096411	216961	10.3
Metropolitan Areas			
Duluth/Superior (Duluth City Only)	36026	5648	15.7
Fargo/Moorhead (Clay County, MN Only)	27010	2277	8.4
Minneapolis/St. Paul SMSA[2]	1140639	91174	8.0
Rochester SMSA (Olmsted Co.)	58885	3865	6.6
St. Cloud SMSA[3]	74735	9113	12.2
Counties			
Aitkin	5419	1436	26.5
Anoka	109670	7199	6.6
Becker	11913	2517	21.1
Beltrami	15843	1982	12.5
Benton	11529	1405	12.2
Big Stone	3723	413	11.1
Blue Earth	28456	2396	8.4
Brown	15000	1665	11.1
Carlton	11963	1989	16.8
Carver	20845	1477	7.1
Cass	9669	1741	18.0
Chippewa	6931	920	13.3
Chisago	14719	1274	8.7
Clay	27010	2277	8.4
Clearwater	4054	1131	27.9
Cook	2106	376	17.9
Cottonwood	6996	586	8.4
Crow Wing	16505	2728	16.5
Dakota	107925	6441	6.0
Dodge	7735	1024	13.2
Douglas	12855	1557	12.1
Faribault	10765	1293	12.0
Fillmore	11607	1367	11.8
Freeborn	17436	1930	11.1
Goodhue	19200	1950	10.2
Grant	3295	353	10.7
Hennepin	519856	27673	5.3
Houston	9119	866	9.5
Hubbard	5391	1014	18.8
Isanti	9977	1375	13.8
Itasca	17670	3979	22.5
Jackson	7407	475	6.4
Kanabec	5331	909	17.1
Kandiyohi	17178	1907	11.1
Kittson	3149	359	11.4
Koochiching	7405	1195	16.1
Lac qui Parle	5450	474	8.7
Lake	4642	1201	25.9
Lake of the Woods	1744	217	12.4
Le Sueur	11372	1724	15.2
Lincoln	3443	372	10.8
Lyon	13798	1264	9.2
McLeod	15984	1777	11.1
Mahnomen	2611	399	15.3
Marshall	6102	1181	19.4
Martin	13440	1380	10.3
Meeker	10524	1649	15.7
Mille Lacs	8639	1237	14.3
Morrison	12570	2108	16.8
Mower	17345	1753	10.1
Murray	5652	631	11.2
Nicollet	14587	1173	8.0
Nobles	11390	948	8.3
Norman	4247	386	9.1
Olmsted	58885	3865	6.6
Otter Tail	23155	3108	13.4
Pennington	6269	802	12.8
Pine	9547	1727	18.1
Pipestone	5274	395	7.3
Polk	15198	1606	10.6
Pope	5232	681	13.0
Ramsey	254835	14453	5.7
Red Lake	2175	442	20.3
Redwood	10205	973	9.6
Renville	10965	1276	11.6
Rice	22902	2569	11.2
Rock	5158	309	6.0
Roseau	5361	965	18.0
St. Louis (Inc. Duluth)	98521	21793	22.0
Scott	24824	1933	7.8
Sherburne	13967	1945	13.9
Sibley	8059	1004	12.5
Stearns	49239	5763	11.7
Steele	15765	1479	9.4
Stevens	5594	513	9.2
Swift	5980	707	11.8
Todd	11109	1337	12.0
Traverse	2566	318	12.4
Wabasha	9090	1181	13.0
Wadena	5331	883	16.6
Waseca	8647	935	10.8
Washington	63251	3876	6.1
Watonwan	6408	635	9.9
Wilkin	4075	409	10.0
Winona	21791	2600	11.9
Wright	34024	3198	9.4
Yellow Medicine	7219	700	9.7

Technical Notes:

1/ Labor force data is computed according to BLS methodology. The method includes an adjustment to assure that the sum of the substate areas equals the separately estimated State total. This adjustment is Applied to all county and SMSA areas. County and area unemployment was multiplied by an adjustment factor of 1.44 ; employment was multiplied by 1.01. For a more detailed explanation see the Review of Labor and Economic Conditions, Vol. 4, No. 4, (February 1978 issue), p. 29.

2/ Anoka, Carver, Chisago, Dakota, Hennepin, Ramsey, Scott, Washington, and Wright Counties.

3/ Benton, Sherburne, and Stearns Counties.

Selected Minnesota Program Statistics

Characteristics of the Insured Unemployed

Tables 1 and 2 provide data on persons who filed a claim for unemployment compensation in Minnesota during the month. Only those claiming benefits from the regular State program are represented since data on the characteristics of Federal employees and veterans are not available.

The total number of claimants for unemployment benefits fell by 921 or 1 percent in February. Although the decline was modest and the number of claimants was still very high, February's decline was the first decrease in claimants in February since 1979 when the economy was still expanding. The largest over-the-month reductions were among claimants in mining and manufacturing. February's drop in manufacturing was even steeper than in 1979. Over-the-year, the number of claimants was up by 6,437 or 8.3 percent. Even though the claimant total in February exceeded the year earlier level for the sixteenth consecutive month, the over-the-year gains have been getting increasingly smaller in each month since August. However, claimants in mining were substantially above the year ago number.

Table 1. Distribution of Insured Unemployed, By Age and Sex, February, 1983

Age Groups	Number	Percent Distributions		
		Men of Totals	Men of Men	Women of Women
TOTALS	83578	76.1	100.0	100.0
Under 45	64642	77.1	78.3	74.2
Under 25	18458	75.9	22.0	22.3
25-34	30745	79.1	38.2	32.1
35-44	15439	74.4	18.1	19.8
45 and Over	18936	72.8	21.7	25.8
45-54	10754	73.4	12.4	14.3
55 and Over	8182	72.1	9.3	11.5

Table 2. Distribution of Insured Unemployed By Industry and Occupation, February, 1983

Industry and Occupational Attachment	Number	Percent of Total	Percent Long-Term 1/ Unemployed	Women as Percent of Total
Total, All Industries	83578	100.0	19.3	23.9
Ag., For., Fish.	2297	2.8	10.1	12.0
Mining	4766	5.7	34.5	4.5
Construction	22762	27.2	7.5	2.9
Manufacturing	22514	26.9	23.5	32.9
Pub. Utilities	3677	4.4	13.5	14.3
Wholesale Trade	5521	6.6	22.9	20.3
Retail Trade	8920	10.7	22.3	42.1
Fin., Ins., Real Est.	1505	1.8	31.6	54.7
Services	9432	11.3	28.4	48.6
Public Admin.	1501	1.8	22.0	31.6
Inf. Not Available	683	0.8	6.4	21.4
Total, All Occupations	83578	100.0	19.3	23.9
Prof., Tech., Mgr.	7463	8.9	32.4	35.5
Clerical	6764	8.1	30.6	77.6
Sales	2643	3.2	26.9	38.0
Services	5031	6.0	26.9	55.9
Farm., For., Fish.	1823	2.2	12.6	13.2
Processing	3554	4.3	8.1	41.4
Machine Trades	5549	6.6	26.9	13.5
Benchwork	7181	8.6	24.7	51.8
Structural Work	25914	31.0	9.5	1.9
Misc.	17398	20.8	18.9	8.6
Inf. Not Available	258	0.3	25.6	36.0

1/ Long-Term unemployed refers to unemployment insurance claimants whose current spell of unemployment has lasted 15 weeks or longer.

Job Service Applicant Supply and Demand

Table 3 compares Job Service (J.S.) job applicants with the J.S. job openings that existed at the end of the month. These comparisons are expressed as supply/demand ratios. Other things being equal, the greater the ratio of applicants to openings, the greater the competition has been for work within that occupational category. To put these ratios into context, the reader must remember that not only do job seekers and employers in general find jobs or recruit workers through other means, but those interested in certain kinds of jobs are particularly unlike to use the J.S. For example, worke seeking professional and Managerial jobs are least likely to use the J.S., whereas employers usually recruit construction workers through union halls and hire teachers directly. Thus, the main value of Table 3 is that it reflects, for broad occupational groups, the relative labor market conditions that those using the J.S. encountered when seeking work.

Table 3. Experienced Supply/Job Openings Demand 1/

Occupation	Applicants (Supply) Feb. 1983	Job Openings (Demand) Feb. 1983	Supply/Demand Ratio	
			Feb. 1983	Feb. 1982
Total	137201	12860	10.7	9.9
Prof., Tech., Mgr.	19799	1812	10.9	10.1
Clerical	21979	2757	8.0	9.8
Sales	6550	1372	4.8	4.6
Dom. Services	1271	557	2.3	10.7
Other Services	17737	1990	8.9	5.1
Farm., Fish., For.	2464	476	5.2	3.4
Processing	3599	154	23.4	9.7
Machine Trades	11094	319	34.8	18.2
Benchwork	9994	416	23.8	20.8
Structural Work	21476	1008	21.3	32.7
Mtr. Frght., Trans.	6742	282	23.9	21.9
Pkg. & Mat. Hndlg.	12709	1611	7.9	14.7
Other	1889	93	20.3	21.2

1/ Inexperienced and improperly coded job applicants are not included in this table.